

Fiscal Services Division

Legislative Services Agency

Fiscal Note

HF 2567 - Foster Care (LSB 5671 HV)

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Fiscal Note Version - New

Description

House File 2567 directs the Department of Human Services (DHS) to establish a two-year pilot project that creates a multidimensional treatment level foster care program that serves children who are transitioning from a Psychiatric Medical Institution for Children (PMIC) to a family foster care placement. The project is to provide family-based treatment and support for children who are unable to return to the family home and either have treatment issues that put them at high risk for failing in foster care placement without targeted support services, or have had multiple previous out-of-home placements.

The Bill sets forth requirements for eligibility, services, qualifications of the agencies selected to participate in the project, reimbursement rates, and requires an evaluation of the project be conducted independent of the DHS and the agencies participating in the project.

Assumptions

1. The population served will be children in the Child Welfare System that do not have a birth, foster, or adoptive family to return to following discharge from a PMIC. The project will serve an estimated 12-14 children per year.
2. The DHS will not incur additional costs to serve the children participating in the project as these are children that would receive Child Welfare services, such as family foster care, shelter care, or group care regardless of participation in the pilot project.
3. The DHS will reimburse families that provide foster care services under the project at the basic foster care maintenance rates.
4. The two agencies selected to participate in the project will consult with the DHS regarding treatment decisions and authorizing rehabilitative treatment services for these children when necessary, therefore, federal Title IV-E and Title XIX funding will be available when services that access these sources are needed.
5. The two agencies will also pay for services under the project using agency resources and grant funds. This cost is unknown.
6. Start-up costs for the two agencies selected to participate in the project include funding for one caseworker, travel, support costs, respite care, foster parent recruitment and training, and foster care services. The estimated costs are outlined in the table below.

Caseworker	\$ 38,000
Travel	4,600
Administration	9,400
Foster Care Payments	72,000
Respite Care	12,000
Recruitment	2,400
Total	<u>\$ 138,400</u>

Fiscal Impact

The estimated cost of HF 2567 is an increase in State General Fund expenditures of \$138,400 for the DHS in FY 2007 to fund the two agencies selected to participate in the project.

House File 2734 (FY 2007 Health and Human Services Appropriations Act) currently provides an increase of \$100,000 in the Child and Family Services appropriation for this project, however, the Bill has not yet been enacted.

Sources

Department of Human Services
Orchard Place, Des Moines
State Public Policy Group

/s/ Holly M. Lyons

March 10, 2006

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
